

## TARIFF SCHEDULES OF THE UNITED STATES ANNOTATE (1983)

SCHEDULE 6. - METALS AND METAL PRODUCTS  
Part 4. - Machinery and Mechanical Equipment

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6 - 4 - F  
674.35 - 674.48

C S P	Item	Stat. Suf- fix	Articles	Units of Quantity	Rates of Duty		
					1	LDDC	2
A*	674.35 (con.)	93	Machine tools (con.): Metal-working machine tools (con.): Other (con.): Metal-forming machine tools (con.): Other (con.): Other metal-forming machine tools:				
			With numerical controls or facings for numerical controls.....	No.			
			Other:				
			Presses:				
			Mechanical.....	No.			
			Other:				
			Vertical (single action), except gap or C-frame, hydraulic..	No.			
			Other.....	No.			
			Forging machines:				
			Headers and upsetters, including cold headers.....	No.			
A	674.40 674.41	00	Other machine tools:				
			Reciprocating gang-saw machines.....	No.....	4.7% ad val.	0.9% ad val.	35% ad val.
			Copying lathes used for making rough or finished shoe lasts from models of shoe lasts and, in addition, capable of producing more than one size shoe last from a single size model of a shoe last.....	No.....	Free		Free
			Other.....		4% ad val.	3% ad val.	35% ad val.
			Machines designed primarily as:				
			Woodworking machines:				
			Sawmill machines.....	No.			
			Plywood and veneer-making machines.....	No.			
			Other woodworking machines valued under \$2,500 each:				
			Lathes.....	No.			
A	674.42	32 34 36 38 42 44 46 48 50 60	Multipurpose machines.....	No.			
			Saws:				
			Radial arm.....	No.			
			Table.....	No.			
			Other.....	No.			
			Other:				
			Multipurpose machines.....	No.			
			Other.....	No.			
			Other.....	No.			
			Glass-working machines.....	No.			
A	674.48	00	Other machines.....	No.			
			Work and tool holders and other parts of, and accessories used principally with, copying lathes provided for in item 674.41.....	X.....	Free		Free

Note: For explanation of the symbol "A" or "A\*" in the column entitled "CSP", see general headnote 3(c).

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**Trade Expansion Act of 1962, Section 232,  
as amended (Title 19, U.S. Code)**

**§ 1862. Safeguarding national security**

**Prohibition on decrease or elimination of duties or other import restrictions  
if such reduction or elimination would threaten to impair  
national security**

(a) No action shall be taken pursuant to section 1821(a) of this title or pursuant to section 1351 of this title to decrease or eliminate the duty or other import restriction on any article if the President determines that such reduction or elimination would threaten to impair the national security.

**Investigations by Secretary of Commerce to determine effects on national  
security of imports of articles; hearings; report to  
President; adjustment of imports**

(b) Upon request of the head of any department or agency, upon application of an interested party, or upon his own motion, the Secretary of the Commerce (hereinafter referred to as the "Secretary") shall immediately make an appropriate investigation, in the course of which he shall seek information and advice from, and shall consult with, the Secretary of Defense and other appropriate officers of the United States, to determine the effects on the national security of imports of the article which is the subject of such request, application, or motion. The Secretary shall, if it is appropriate and after reasonable notice, hold public hearings or otherwise afford interested parties an opportunity to present information and advice relevant to such investigation. The Secretary shall report the findings of his investigation under this subsection with respect to the effect of the importation of such article in such quantities or under such circumstances upon the national security and, based on such findings, his recommendation for action or inaction under this section to the President within one year after receiving an application from an interested party or otherwise beginning an investigation under this subsection. If the Secretary finds that such article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, he shall so advise the President and the President shall take such action, and for such time, as he deems necessary to adjust the imports of such article and its derivatives so that such imports will not threaten to impair the national security, unless the President determines that the article is not being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security.

**Domestic production for national defense; impact of foreign  
competition on economic welfare of domestic industries**

(c) For the purposes of this section, the Secretary and the President shall, in the light of the requirements of national security and without excluding other relevant factors, give consideration to domestic production needed for projected national defense requirements, the capacity of domestic industries to meet such requirements, existing and anticipated availabilities of the human resources, products, raw materials, and other supplies and services essential to the national defense, the requirements of growth of such industries and such supplies and services including the investment,

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exploration, and development necessary to assure such growth, and the importation of goods in terms of their quantities, availabilities, character, and use as those affect such industries and the capacity of the United States to meet national security requirements. In the administration of this section, the Secretary and the President shall further recognize the close relation of the economic welfare of the Nation to our national security, and shall take into consideration the impact of foreign competition on the economic welfare of individual domestic industries; and any substantial unemployment, decrease in revenues of government, loss of skills or investment, or other serious effects resulting from the displacement of any domestic products by excessive imports shall be considered, without excluding other factors, in determining whether such weakening of our internal economy may impair the national security.

**Report on investigations by Secretary of Commerce; regulations**

(d) A report shall be made and published upon the disposition of each request, application, or motion under subsection (b) of this section. The Secretary shall publish procedural regulations to give effect to the authority conferred on him by subsection (b) of this section.

**Congressional disapproval of Presidential adjustment  
of imports of petroleum or petroleum products;  
disapproval resolution**

(e)(1) An action taken by the President under subsection (b) of this section to adjust imports of petroleum or petroleum products shall cease to have force and effect upon the enactment of a disapproval resolution, provided for in paragraph (2), relating to that action.

(2)(A) This paragraph is enacted by the Congress—

(i) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedures to be followed in that House in the case of disapproval resolutions and such procedures supersede other rules only to the extent that they are inconsistent therewith; and

(ii) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

(B) For purposes of this subsection, the term "disapproval resolution" means only a joint resolution of either House of Congress the matter after the resolving clause of which is as follows: "That the Congress disapproves the action taken under section 232 of the Trade Expansion Act of 1962 with respect to petroleum imports under \_\_\_\_\_ dated \_\_\_\_\_", the first blank space being filled with the number of the proclamation, Executive order, or other Executive act issued under the authority of subsection (b) of this section for purposes of adjusting imports of petroleum or petroleum products and the second blank being filled with the appropriate date.

(C)(i) All disapproval resolutions introduced in the House of Representatives shall be referred to the Committee on Ways and Means and all disapproval resolutions introduced in the Senate shall be referred to the Committee on Finance.

(ii) No amendment to a disapproval resolution shall be in order in either the House of Representatives or the Senate, and no motion to suspend the application of this clause shall be in order in either House

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nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this clause by unanimous consent.

Pub.L. 87-794, Title II, § 232, Oct. 11, 1962, 76 Stat. 877; Pub.L. 93-618, Title I, § 127(d), Jan. 3, 1975, 88 Stat. 1993; 1979 Reorg. Plan. No. 3, § 5(a)(1)(B), eff. Jan. 2, 1980, 44 F.R. 69274, 93 Stat. 1381; Pub.L. 96-223, § 402, Apr. 2, 1980, 94 Stat. 801.

#### Historical Note

**References in Text.** Section 232 of the Trade Expansion Act of 1962, referred to in subsec. (e), is this section.

**Codification.** Provision of subsec. (b) of this section which required the Secretary to consult with the Secretary of Commerce in the course of an investigation was omitted in view of the transfer of all functions under this section to the Secretary of Commerce. See Transfer of Functions note set out below.

**1980 Amendment.** Subsec. (e). Pub.L. 96-223 added subsec. (e).

**1975 Amendment.** Subsec. (b). Pub.L. 93-618, § 127(d)(1) to (3), substituted "Secretary of the Treasury (hereinafter referred to as the 'Secretary') for 'Director of the Office of Emergency Planning (hereinafter in this section referred to as the 'Director')", substituted "advice from, and shall consult with, the Secretary of Defense, the Secretary of Commerce, and other appropriate officers of the United States" for "advice from other appropriate departments and agencies", inserted provision for public hearings by the Secretary as part of his investigation, added requirement that the Secretary report to the President when he recommends inaction in the same way that a report to the President is required

when he recommends action under this section, and placed a 1-year time limit on the Secretary's investigation before making his recommendations to the President.

**Subsec. (c).** Pub.L. 93-618, § 127(d)(4), substituted "Secretary" for "Director" in two places.

**Subsec. (d).** Pub.L. 93-618, § 127(d)(4), substituted "Secretary" for "Director".

**Transfer of Functions.** "Secretary of Commerce" was substituted for "Secretary of the Treasury" in subsec. (b), in view of the transfer of all functions of the Secretary of the Treasury under this section to the Secretary of Commerce by Reorg. Plan No. 3 of 1979, § 5(a)(1)(B), 44 F.R. 69274, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1-107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title.

**Legislative History.** For legislative history and purpose of Pub.L. 87-794, see 1982 U.S. Code Cong. and Adm. News, p. 3110. See, also, Pub.L. 93-618, 1974 U.S. Code Cong. and Adm. News, p. 7186; Pub.L. 96-223, 1980 U.S. Code Cong. and Adm. News, p. 7186.

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## SECTION 232 REGULATIONS

### Chapter III—International Trade Administration

§ 359.4

"Department" means the United States Department of Commerce and includes the Secretary of Commerce and the Secretary's designees.

"Secretary" means the Secretary of Commerce or the Secretary's designees.

"Applicant" means the person or entity submitting a request or application for an investigation pursuant to this part.

### 15 C.F.R § 359 (1982)

#### § 359.2 Purpose.

These regulations set forth the procedures by which the Department shall commence and conduct an investigation to determine the effect on the national security of the imports of any article. Based on this investigation, the Secretary shall make a report and recommendation to the President for action or inaction regarding an adjustment of the imports of the article.

#### § 359.3 Commencing an investigation.

Upon request of the head of any government department or agency, upon application of an interested party, or upon motion of the Secretary, the Department shall immediately conduct an investigation to determine the effect on the national security of the imports of any article.

### PART 359—EFFECT OF IMPORTED ARTICLES ON THE NATIONAL SECURITY

Sec.

359.1 Definitions.

359.2 Purpose.

359.3 Commencing an investigation.

359.4 Criteria for determining effect of imports on the national security.

359.5 Request or application for an investigation.

359.6 Confidential information.

359.7 Conduct of an investigation.

359.8 Public hearings.

359.9 Emergency action.

359.10 Report of an investigation and recommendation.

**AUTHORITY:** Sec. 232 Trade Expansion Act of 1962, as amended (Pub. L. 93-618, 88 Stat. 1993, 19 U.S.C. 1862); Reorg. Plan No. 3 of 1979 (44 FR 69273, Dec. 3, 1979); Exec. Ord. 12188 of Jan. 2, 1980 (45 FR 989, Jan. 4, 1980); Dept. of Commerce Org. Ord. No. 10-3 (45 FR 6141, Jan. 25, 1980); and International Trade Admin. Organization and Function Order No. 41-1 (45 FR 11862, Feb. 22, 1980).

**SOURCE** 47 FR 14692, April 6, 1982, unless otherwise noted.

#### § 359.1 Definitions.

As used in this part:

#### § 359.4 Criteria for determining effect of imports on the national security.

(a) To determine the effect on the national security of the imports of the article under investigation, the Department shall consider the quantity of the article in question or other circumstances related to its import. With regard for the requirements of national security, the Department shall also consider the following:

(1) Domestic production needed for projected national defense requirements;

(2) The capacity of domestic industries to meet projected national defense requirements;

(3) The existing and anticipated availabilities of human resources, products, raw materials, production equipment and facilities, and other supplies and services essential to the national defense;

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(4) The growth requirements of domestic industries to meet national defense requirements and the supplies and services including the investment, exploration and development necessary to assure such growth; and

(5) Any other relevant factors.

(b) In recognition of the close relation between the strength of our national economy and the capacity of the United States to meet national security requirements, the Department shall also, with regard for the quantity, availability, character and uses of the imported article under investigation, consider the following:

(1) The impact of foreign competition on the economic welfare of any domestic industry essential to our national security;

(2) The displacement of any domestic products causing substantial unemployment, decrease in the revenues of government, loss of investment or specialized skills and productive capacity, or other serious effects; and

(3) Any other relevant factors that are causing or will cause a weakening of our national economy.

**§ 359.5 Request or application for an investigation.**

(a) A request or application for an investigation shall be in writing. The original and 12 copies shall be filed with the Director, Office of Industrial Resource Administration, Room 3876, U.S. Department of Commerce, Washington, D.C. 20230.

(b) When a request, application or motion is under investigation, or when an investigation has been completed pursuant to § 359.10 of this part, any subsequently filed request or application concerning imports of the same or related article that does not raise new or different issues may be either consolidated with the investigation in progress as provided in § 359.7(e) of this part, or rejected. In either event, an explanation for taking such action shall be promptly given to the applicant. If the request or application is rejected, it will not be returned unless requested by the applicant.

(c) Requests or applications shall describe how the quantity, availability, character, and uses of a particular imported article, or other circumstances

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related to its import, effect the national security, and shall contain the following information to the fullest extent possible:

(1) Identification of the applicant;

(2) A precise description of the article;

(3) Description of the domestic industry affected, including pertinent information regarding companies and their plants, locations, capacity and current output of the industry;

(4) Pertinent statistics on imports and domestic production showing the quantities and values of the article;

(5) Nature, sources, and degree of the competition created by imports of the article;

(6) The effect that imports of the article may have upon the restoration of domestic production capacity in the event of national emergency;

(7) Employment and special skills involved in the domestic production of the article;

(8) Extent to which the national economy, employment, investment, specialized skills, and productive capacity is or will be adversely affected;

(9) Revenues of Federal, State, or local Governments which are or may be adversely affected;

(10) National security supporting uses of the article including data on applicable contracts or sub-contracts, both past and current; and

(11) Any other information or advice relevant and material to the subject matter of the investigation.

(d) Statistical material presented should be, if possible, on a calendar-year basis for sufficient periods of time to indicate trends. Monthly or quarterly data for the latest complete years should be included as well as any other breakdowns which may be pertinent to show seasonal or short-term factors.

**§ 359.6 Confidential information.**

(a) Any information or material which the applicant or any other party desires to submit in confidence at any stage of the investigation that would disclose national security classified information or business confidential information (trade secrets, commercial or financial information, or

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## Chapter III—International Trade Administration

## § 359.8

any other information considered sensitive or privileged), shall be submitted on separate sheets with the clear legend "National Security Classified" or "Business Confidential," as appropriate, marked at the top of each sheet. Any information or material submitted that is identified as national security classified must be accompanied at the time of filing by a statement indicating the degree of classification, the authority for the classification, and the identity of the classifying entity. By submitting information or material identified as business confidential, the applicant or other party represents that the information is exempted from public disclosure, either by the Freedom of Information Act (5 U.S.C. 552 et seq.) or by some other specific statutory exemption. Any request for business confidential treatment must be accompanied at the time of filing by a statement justifying non-disclosure and referring to the specific legal authority claimed.

(b) The Department may refuse to accept as business confidential any information or material it considers not intended to be protected under the legal authority claimed by the applicant, or under other applicable legal authority. Any such information or material so refused shall be promptly returned to the submitter and will not be considered. However, such information or material may be resubmitted as non-confidential in which case it will be made part of the public record.

## § 359.7 Conduct of an investigation.

(a) If the Department determines that it is appropriate to afford interested parties an opportunity to present information and advice relevant and material to an investigation, a public notice shall be published in the FEDERAL REGISTER soliciting from any interested party written comments, opinions, data, information or advice relative to the investigation. This material shall be submitted as directed within a reasonable time period to be specified in the notice. All material shall be submitted with 6 copies. In addition, public hearings may be held pursuant to § 359.8 of this part.

(b) All requests and applications filed and all materials submitted by interested

parties, except information or material that is classified or determined to be confidential as provided in § 359.6 of this part, will be available for public inspection and copying in the International Trade Administration Freedom of Information Records Inspection Facility, Room 3102, U.S. Department of Commerce, Washington, D.C. 20230, in accordance with regulations published in Part 4 of Title 15, Code of Federal Regulations.

(c) Further information may be requested by the Department from other sources through the use of questionnaires, correspondence, or other appropriate means.

(d) The Department shall, as part of an investigation, seek information and advice from, and consult with, the Secretary of Defense and any other appropriate officers of the United States or their designees, as shall be determined. Communications received from agencies of the U.S. Government or foreign governments will not be made available for public inspection. The Department may also seek assistance in the conduct of an investigation from other agencies of the United States, as shall be necessary.

(e) Any request or application that is filed while an investigation is in progress, concerning imports of the same or related article and raising similar issues, may be consolidated with the request, application or motion that initiated the investigation.

## § 359.8 Public hearings.

(a) If it is deemed appropriate by the Department, public hearings may be held to elicit further information.

(1) A notice of hearing shall be published in the FEDERAL REGISTER describing the date, time, place, the subject matter of each hearing and any other information relevant to the conduct of the hearing. The name of a person to contact for additional information or to request time to speak at the hearing shall also be included. Public hearings may be held in more than one location.

(2) Hearings shall be open to the public unless national security classified information will be presented. In that event the presiding officer at the hearing shall close the hearing, as nec-

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essary, to all persons not having appropriate security clearances or not otherwise authorized to have access to such information. If it is known in sufficient time prior to the hearing that national security classified information will be presented, the notice of hearing published in the **FEDERAL REGISTER** shall state that national security classified information will be presented and that the hearing will be open only to those persons having appropriate security clearances or otherwise specifically authorized to have access to such information.

(b) Hearings shall be conducted as follows:

(1) The Department shall appoint the presiding officer:

(2) The presiding officer shall determine all procedural matters during the hearing:

(3) Interested parties may appear, either in person or by representation, and produce oral or written information relevant and material to the subject matter of the investigation:

(4) Hearings will be fact-finding proceedings without formal pleadings or adverse parties. Formal rules of evidence will not apply:

(5) After a witness has testified, the presiding officer may question the witness. Questions submitted to the presiding officer in writing by any interested party may, at the discretion of the presiding officer, be posed to the witness. No cross examination of any witness by a party shall be allowed.

(6) Each hearing will be stenographically reported. Transcripts of the hearing, excluding any national security classified information, may be purchased from the Department at actual cost of duplication, and will be available for public inspection in the International Trade Administration, Freedom of Information Records Inspection

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Facility, Room 3102, U.S. Department of Commerce, Washington, D.C. 20230.

**§ 359.9 Emergency action.**

In emergency situations, or when in the judgment of the Department, national security interests require it, the Department may vary or dispense with any or all of the procedures set forth in § 359.7 of this part.

**§ 359.10 Report of an investigation and recommendation.**

(a) When an investigation conducted pursuant to this part is completed, a report of the investigation shall be promptly prepared. The report shall be organized in several sections, if necessary. One section shall contain all information and material that is not classified or confidential as provided in § 359.6 of this part. Another section shall contain all national security classified information and material. A third section shall contain all business confidential information and material.

(b) The Secretary shall report to the President the findings of the investigation and a recommendation for action or inaction within one year after receiving a request or application or otherwise beginning an investigation pursuant to this part.

(c) The report, excluding the sections containing national security classified and business confidential information and material, shall be published in the **FEDERAL REGISTER** upon the disposition of each request, application, or motion made pursuant to this part. Copies of the published report will then be available for public inspection and copying in the International Trade Administration, Freedom of Information Records Inspection Facility, Room 3102, U.S. Department of Commerce, Washington, D.C. 20230.

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Summary of Petition

The National Machine Tool Builders's Association (NMTBA) has requested an investigation pursuant to Section 232 of the Trade Expansion Act of 1962. The NMTBA seeks trade relief in the form of a five year regime of quotas limiting imports of metal-cutting and metal-forming machine tools to no more than 17.5 percent each of domestic consumption by value. The petitioner specifically requests that quotas in eighteen machine categories not exceed 20 percent of annual domestic consumption, provided that imports in other unspecified categories are sufficiently low so that the overall average is within the 17.5 percent limit.

The petitioner states that the domestic machine tool industry is depressed. New orders, shipments, employment, capacity utilization, profits and capital investment are reportedly at low levels. While recognizing the impact of the state of the economy and the extremely cyclical nature of machine tool demand, the petitioner asserts that imports threaten to further debilitate the industry. It is stated that current import trends will result in a critically weakened industry. The petitioner presents trade data showing that imported metal-cutting and metal-forming machine tools, in terms of value, were 27.8 percent and 22.9 percent of the domestic market, respectively, for the first nine months of 1982. In terms of units, such imports accounted for approximately 44 percent of the U.S. market. Imports of certain numerically-controlled (NC) machine tools, a high growth sector of the industry, accounted for more than 50 percent of the value and more than 70 percent of the units of current domestic consumption. The petitioner fears that once demand surges, buyers will flock to the imports, particularly to the Japanese machine tools, which are now heavily inventoried. U.S. machine tools would be unable to respond to a sudden increase in demand, due to long lead times. The petitioner argues that the domestic industry is disadvantaged by the Japanese government's protection, subsidization and support of Japanese industries.

The petition lists various factors which will serve to limit machine tool supply during a national emergency. First, it is asserted that foreign machine tool suppliers, including Japanese suppliers, cannot be relied upon in an emergency. Second, it is stated that the Machine Tool Reserve and the Machine Tool Trigger Order Program "cannot fill a breach caused by the closure of American machine tool manufacturing plants." The petitioner comments that the Machine Tool Reserve is "comprised of seriously obsolete equipment, much of which...is inoperable." Moreover "the Trigger Order Program can work only if there are healthy American machine tool builders

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available to respond to the trigger orders when they come." The petitioner adds that the Program "understates to an alarming degree the magnitude of the demand for machine tools that a serious national emergency would create." Third, the petitioner states, machine tools in civilian factories may not be readily used in a national security emergency. Many of the tools are too obsolete or are too specialized to permit their conversion to defense needs. Finally, the petitioner concludes, the domestic industry lacks the necessary capacity to satisfy the requirements of a large-scale conventional war. It is noted machine tools constituted a serious bottleneck during the early stages of World War II.

According to the petitioner, quotas are the most cost-effective way to revitalize the machine tool industry and increase the domestic production base.

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Federal Register / Vol. 48, No. 68 / Thursday, April 7, 1983 / Notices

**DEPARTMENT OF COMMERCE****International Trade Administration****Initiation of Investigation of Imports of Metal-Cutting and Metal-Forming Machine Tools****AGENCY:** International Trade Administration, Commerce.**ACTION:** Notice of initiation of an investigation under Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862), and request for comments.

**SUMMARY:** This notice is to advise the public that an investigation is being conducted under section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862) to determine the effects on the national security of imports of metal-cutting and metal-forming machine tools. Interested parties are invited to submit written comments, opinions, data, information or advice to the Resource Assessment Division, Office of Industrial Resource Administration, U.S. Department of Commerce.

**EFFECTIVE DATE:** Comments must be received by June 1, 1983.

**ADDRESS:** Written comments, in ten copies, should be sent to: Robert F. Kan, Program Manager, Resource Assessment Division, Office of Industrial Resource Administration, Room 3876, U.S. Department of Commerce, Washington, D.C. 20230.

**FOR FURTHER INFORMATION CONTACT:** Robert F. Kan, Program Manager,

Resource Assessment Division, Office of Industrial Resource Administration, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230, (202) 377-3795.

**SUPPLEMENTARY INFORMATION:** In an application submitted by the National Machine Tool Builders' Association on March 10, 1983, the Secretary of Commerce was requested to initiate an investigation under Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862), to determine the effect on the national security of imports of machine tools. On March 14, 1983 the Department of Commerce confirmed receipt of and accepted the application to conduct the investigation. The results of the investigation will be reported by the Secretary of Commerce to the President by March 14, 1984.

The articles to be investigated, metal-cutting type and metal-forming type machine tools, are best described by Standard Industrial Classification Codes 3541 and 3542, and by the Tariff Schedules of the United States Annotated (1981) (TSUS) items 874.1010 and 874.3025 through 874.3599, excluding TSUS classifications for used or rebuilt equipment and equipment valued at less than \$2,500.

This investigation is being undertaken in accordance with International Trade Administration Regulation 15 CFR Part 359. Interested parties are invited to submit written comments, opinions, data, information or advice with respect to this investigation to the Resource Assessment Division, Office of Industrial Resource Administration, U.S. Department of Commerce, by June 1, 1983.

All relevant material will be helpful, however, the Department is particularly interested in comments and information directed to the criteria listed in § 359.4 of the Regulations (15 CFR 359.4) as they affect the national security.

(a) Quantity of and circumstances related to the importation of these articles;

(b) Domestic production and productive capacity of these items to meet anticipated national security requirements;

(c) Existing and potential availability of skilled labor, raw materials, production equipment and facilities to produce these items;

(d) Growth requirements of domestic industries (if any) to meet national security requirements and/or requirements to assure such growth;

(e) The impact of foreign competition on the economic welfare and on the capacity of the domestic industry to meet national security needs;

(f) The impact of imports on domestic competition, productivity, and the strength of the domestic industry to meet national security requirements.

All material should be submitted in 10 copies and will be made available at the Department of Commerce for public inspection and copying, except for information or material that is national security classified or determined to be business confidential as provided in § 359.8 of the Regulations (15 CFR 359.8).

Communications from agencies of the United States Government or from foreign governments will not be made available for public inspection.

The public record concerning this investigation will be maintained in the International Trade Administration's Freedom of Information Records Inspection Facility, Room 4001B, U.S. Department of Commerce, 14th and Pennsylvania Avenue, NW, Washington, DC 20230. The records in this facility may be inspected and copied in accordance with regulations published in Part 4 of Title 15 of the Code of Federal Regulations.

Information about the inspection and copying of records at the facility may be obtained from Mrs. Patricia L. Mann, the International Trade Administration's Freedom of Information Officer (202-377-3031).

If deemed appropriate by the Department, public hearings may be held to elicit further information as provided in § 359.8 (15 CFR 359.8) of the regulations. Adequate notice will be given as to time, place and matters to be considered at the hearing(s) so that interested parties will have an opportunity to participate. The findings of this investigation and a recommendation by the Secretary of Commerce for action or inaction regarding imports of machine tools shall be given to the President no later than March 14, 1984.

Dated: April 6, 1983.

Vincent F. DeCain,

Acting Deputy Assistant Secretary, for Export Administration.

(FR Doc. 83-0120 Filed 4-6-83; 8:45 am)

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The tables in this section are derived from the Department of Commerce's survey of Machine Tool Producers and Importers and from information provided regarding machine tools held in reserve by the Department of Defense.

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**UNCLASSIFIED**Estimated Unit Capacity By Type of Machine Tool, 1978 and 1982

<u>Machine Type</u>	<u>1978</u>	<u>1982</u>
Boring	2,186	2,132
Drilling	8,747	12,386
- Gear Cutting	1,342	1,540
Grinding	25,430	28,108
NC Turning	3,196	4,851
Non-NC Turning	37,516	36,390
Milling	19,330	23,291
Machining Centers	3,179	3,662
Station Type	1,358	1,958
Other Metal Cutting	2,673	17,605
NC Punching & Shearing	990	2,040
Non-NC Punching & Shearing	6,203	5,695
NC Bending & Forming	300	811
Non-NC Bending & Forming	7,537	8,825
Presses	10,838	15,090
Forging	1,608	863
Other Metal Forming	8,823	10,318

Note: Data in this table have been expanded to total industry estimates. Reported shipments data and Census shipments data were used to develop expansion factors for each type of machine tool.

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**Machine Tools**  
**Estimated Total Domestic Capacity and Anticipated Changes <sup>1/</sup>**  
**(Value in Millions \$)**

<u>Machine Type</u>	<u>1982</u>		<u>Anticipated Changes, Value Only</u>		
	<u>Units</u>	<u>Value</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
Boring	2,132	\$ 381.4	--	\$ + 6.7	--
Drilling	12,386	448.1			
Gear Cutting	1,540	327.0	\$- 3.0	- 6.0	--
Grinding	28,108	1,127.9	- 1.7	- 7.4	--
Turning:					
Horizontal NC	4,219	663.6	+ 5.1	-13.8	\$ + 1.8
Vertical NC	632	263.5	--	--	--
Non-NC	36,390	541.6	--	-35.0	--
Milling	23,291	759.8	--	--	--
Machining Centers	3,662	829.9	-10.0	--	--
Station Type	1,958	1,955.1	-16.1	--	--
Other Metal Cutting	17,605	398.4	-12.3	--	--
NC Punching & Shearing	2,040	164.0	- 0.9	+ 2.4	--
Non-NC Punching & Shearing	5,695	209.8	- 6.9	--	--
NC Bending & Forming	811	55.1	- 7.3	+ 3.6	--
Non-NC Bending & Forming	8,825	259.0	--	+ 0.4	--
Presses	15,090	931.8	+ 3.6	-10.9	--
Forging	863	137.3	--	--	--
Other Metal Forming	10,318	262.4	+ 9.0	--	+ 4.6
 Metal Cutting, Total	 131,722	 \$7,696.3	 -37.9	 -55.5	 + 1.8
Metal Forming, Total	43,642	\$2,019.4	- 2.5	- 4.6	+ 4.6
Machine Tools, Total	175,364	\$9,715.7	-40.4	-60.1	+ 6.4

<sup>1/</sup> Anticipated changes in annual production capacity effective after December 31, 1982, as reported by respondents.

Note: Data in this table have been expanded to total industry estimates. Reported shipments and Census shipments were used to develop expansion factors for each type of machine tool.

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Machine Tools  
Estimated Inventory Domestic Producers, 1982  
 (Values in Millions \$)

	<u>Units</u>	<u>Value</u>
Boring	246	\$ 46.1
Drilling	889	30.0
Gear Cutting	88	13.9
Grinding	2,177	128.6
Turning:		
Horizontal NC	368	70.8
Vertical NC	55	28.1
Non-NC	7,703	67.8
Milling	4,029	105.1
Machining Centers	620	147.2
Station Type	219	188.5
Other Metal-Cutting	2,095	52.9
NC Punching & Shearing	63	11.1
Non-NC Punching & Shearing	396	18.7
NC Bending & Forming	8	0.2
Non-NC Bending & Forming	1,427	46.8
Presses	1,272	72.5
Forging	65	14.1
Other Metal-Forming	1,052	20.8
 Metal-Cutting, Total	 18,489	 879.2
Metal-Forming, Total	4,283	184.2
Machine Tools, Total	22,772	1,063.3

Note: Data in this table have been expanded to total industry estimates. Reported shipments data and Census shipments data were used to develop expansion factors for each type of machine tool.

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Machine Tools  
Estimated Mobilization Domestic Capacity 2/  
 (Units and Values in Millions \$)

Machine Type	Estimated Current Capacity 1/		Estimated Mobilization Capacity			
	Units	Value	1st Year		2nd Year	
			Units	Value	Units	Value
Boring	2,132	\$ 381.4	2,526	\$ 452.0	3,241	\$ 579.7
Drilling	12,386	448.1	14,677	530.9	18,827	681.8
Gear Cutting	1,526	324.0	1,808	383.9	2,320	492.5
Grinding	28,066	1,126.2	33,258	1,334.5	42,660	1,711.8
Turning:						
Horizontal NC	4,251	668.7	5,037	792.4	6,462	1,136.4
Vertical NC	632	263.5	749	312.2	961	400.5
Non-NC	36,390	541.6	43,122	641.8	55,313	823.2
Milling	23,291	759.8	27,600	900.4	35,402	1,154.9
Machining Centers	3,618	819.9	4,287	917.6	5,499	1,246.2
Station Type	1,942	1,939.0	2,301	2,297.7	2,952	2,947.3
Other Metal-Cutting	17,061	386.1	20,217	457.5	25,933	586.9
NC Punching & Shearing	2,029	163.1	2,404	193.3	3,084	247.9
Non-NC Punching & Shearing	5,508	202.9	6,527	240.4	8,372	308.4
NC Bending & Forming	704	47.8	834	56.6	1,070	72.7
Non-NC Bending & Forming	8,825	259.0	10,458	306.9	13,414	383.7
Presses	15,143	935.4	17,950	1,108.4	23,025	1,421.8
Forging	863	137.3	1,023	162.7	1,312	208.7
Other Metal-Forming	10,672	271.4	12,646	321.6	16,221	412.5
Metal-Cutting, Total	131,295	7,658.3	155,582	9,020.9	199,570	11,761.2
Metal-Forming, Total	43,749	2,016.9	51,842	2,389.9	66,498	3,055.7
Machine Tools, Total	175,044	9,675.2	207,424	11,410.8	266,068	14,816.9
1/ Estimated Current Capacity is estimated 1982 capacity plus or minus anticipated changes in capacity for 1983 as reported in Table 7.						
2/ Estimated Mobilization Capacity extends current capacity for three years based on respondents estimates of how long it would take to expand capacity 25%, 50%, and 100%. Capacity could be expanded by 18.5% in one year, 52.0% over two years and 98.8% over three years.						

**Machine Tools**  
**Estimated Importers Inventory, 1982**  
**(Values in Millions \$)**

	<u>Units</u>	<u>Value</u>
Boring	817	\$ 50.5
Drilling	748	13.3
Gear Cutting	132	11.4
Grinding	3,140	58.9
Turning:		
Horizontal NC	1,162	97.8
Vertical NC	126	12.5
Non-NC	5,671	89.0
Milling	1,777	31.2
Machining Centers	575	63.8
Station Type	0	0
Other Metal-Cutting	394	13.6
NC Punching & Shearing	115	7.5
Non-NC Punching & Shearing	865	14.0
NC Bending & Forming	56	4.9
Non-NC Bending & Forming	1,889	4.6
Presses	152	6.5
Forging	0	0
Other Metal-Forming	0	0
Metal-Cutting, Total	14,542	442.0
Metal-Forming, Total	3,077	37.5
Machine Tools, Total	17,619	479.5

Note: Data in this table have been expanded to total industry estimates. Reported import data and Census import data were used to develop expansion factors for each type of machine tool.

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**UNCLASSIFIED****DIPEC Machine Tool Reserve  
September 30, 1983**

<u>Machine Type</u>	<u>Units</u>
- Boring	919
Drilling	1,160
Gear Cutting	421
Grinding	2,162
Turning	
Horizontal NC	
Vertical NC	35
Non-NC	3,232
Milling	1,812
Machining Centers	28
Station Type	170
Other Metal-Cutting	846
NC Punching & Shearing	4
Non-NC Punching & Shearing	103
NC Bending & Forming	0
Non-NC Bending & Forming	252
Presses	1,268
Forging	92
Other Metal-Forming	142
Metal-Cutting, Total	10,785
Metal-Forming, Total	1,861
Machine Tools, Total	12,646

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DOE Energy Availability Assessment Based on The Scenario

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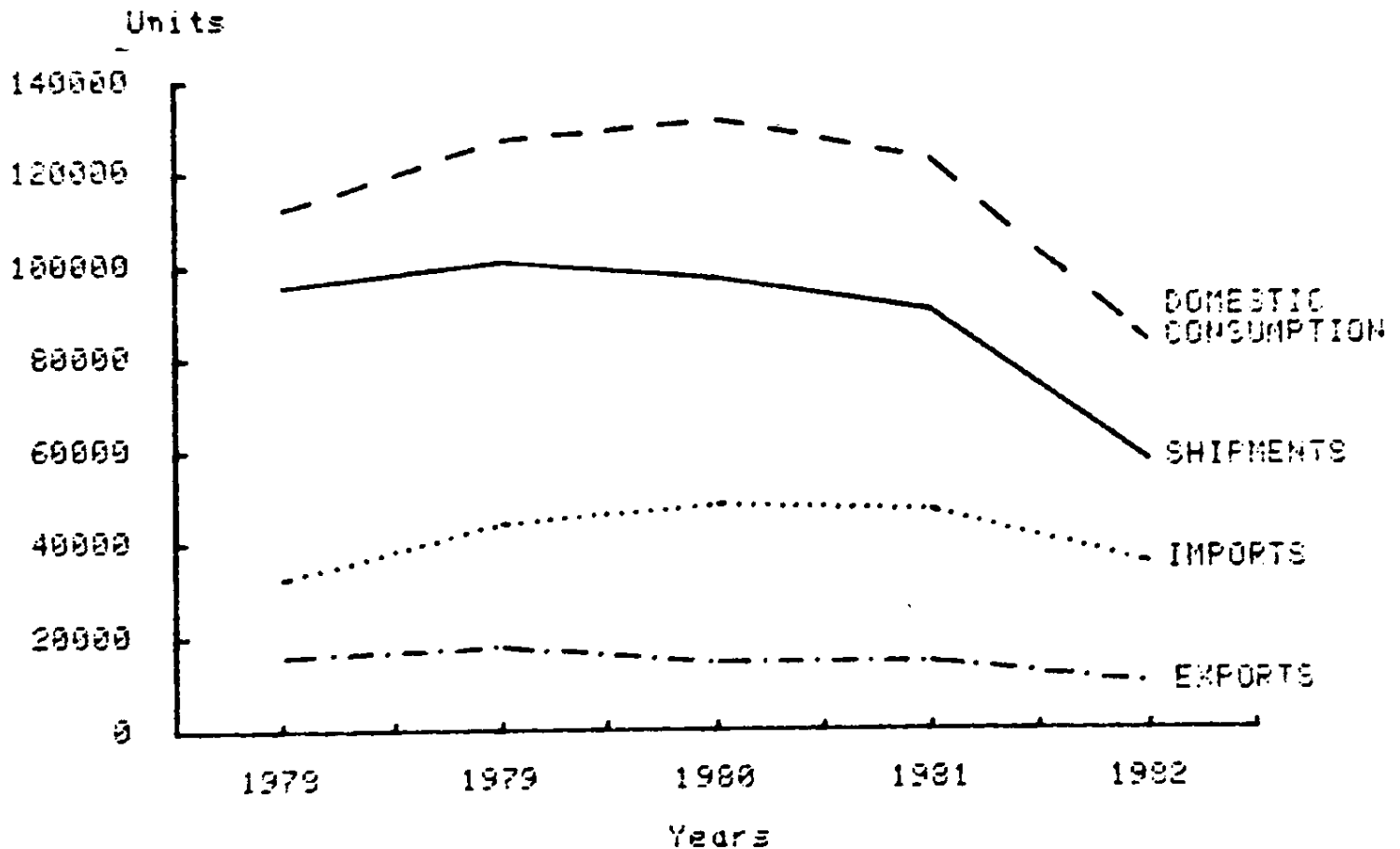
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### METAL CUTTING & METAL FORMING MACHINE TOOLS



Source: U.S. Department of Commerce, Bureau of the Census.

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U.S. Department of Commerce  
Office of Industrial Resource Administration

MACHINE TOOL SHIPMENTS, IMPORTS, EXPORTS, AND DOMESTIC CONSUMPTION  
By Machine Classification, Jan. 1978 - June 1983\*  
(Units)

<u>METAL CUTTING AND</u> <u>METAL FORMING</u> <u>MACHINE TOOLS</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>Jan-June</u> <u>1982</u>	<u>Jan-June</u> <u>1983</u>
Total Shipments	95,544	100,893	97,364	90,070	57,487	34,268	24,401
Imports	32,077	44,044	48,252	47,060	35,319	21,071	12,909
Exports	15,464	17,649	14,151	14,362	9,517	5,402	2,764
Domestic Consumption	112,157	127,288	131,465	122,768	83,289	49,937	34,546
Percent Imports/ Domestic Consumption	28.6%	34.6%	36.7%	38.3%	42.4%	42.2%	37.4%
Percent Total Shipments/ Domestic Consumption	85.2%	79.3%	74.1%	73.4%	69.0%	68.6%	70.6%
<u>METAL CUTTING</u> <u>MACHINE TOOLS</u>							
Total Shipments	63,430	70,760	71,121	68,165	40,817	24,244	17,059
Imports	27,401	38,684	42,622	41,910	30,685	18,584	10,399
Exports	10,073	11,621	8,201	9,232	6,231	3,474	1,596
Domestic Consumption	80,758	97,823	105,542	100,843	65,271	39,354	25,862
Percent Imports/ Domestic Consumption	33.9%	39.5%	40.4%	41.6%	47.0%	47.2%	40.2%
Percent Total Shipments/ Domestic Consumption	78.5%	72.3%	67.4%	67.6%	62.5%	61.6%	66.0%

\* See notes which follow tables. Notes 1 through 6 are generic and apply to overall methodology used throughout the text and are not specifically cited in the tables.